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The Ukraine has almost no fuel except the coal from Donetz. Northern and Central Russia, on the contrary, have wood, peat and coal from the south of Moscow. Northwestern Russia and the Baltic provinces never used the coal from Donetz, as it could not compete in price with the English or German coal. During the war, doubtless because the Baltic Sea was closed, they began to transport coal from Donetz to Petrograd. Now the Baltic Sea is reopened and its freedom guaranteed by the Allies. Therefore, English coal can regain its natural markets.

The industrial region of Moscow, as well as that of the Volga, received an enormous quantity of naphtha from Baku which competes as fuel with the coal of Donetz. When the conditions have again become normal, exports of naphtha will recommence, because the basin of the Volga is the natural outlet for the oil fields of Baku. The Urals and Siberia are supplied with local coal, while in western Siberia are found vast deposits, in the region of Kutznetsk. These beds are more extended and richer than those of Donetz, but the coal fields were scarcely worked because the means of transportation was very primitive. They can be joined to the Ural and Altai regions either by rail or water. Under these conditions the inexhaustible ore supplies of the Urals and the Altai district will supply the metal industry of Russia in such quantities that Russia will become metallurgically independent of the Ukraine. Thus the coal fields of Donetz, which have always been more Ukrainian than Russian, should in the future remain entirely Ukrainian.

Furthermore, the question of the basin of Donetz is not concluded. The ethnographic frontier of the Ukraine and of Russia passes through these coal fields. The Ukraine and Russia could easily, for their mutual interests, reach some understanding and modify this frontier. But in any event the most important part of the coal field should remain in the Ukrainian limits, because the facts up to date show how much more Donetz is bound to the Ukrainian industry than to that of Russia. The metallurgical industry alone of the Ukraine consumes nearly 80 per cent of the total production of the basin.

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During the last thirty or forty years, it is true, the economic situation of the Ukraine has changed considerably; three large industries have developed in the country: the sugar industry, the mining and the metal industries. And one is tempted to say that this development was due to Russian protection. But is this quite correct? Undoubtedly the protection had some influence, but not as much as one might suppose. In the first place, one must not forget that in the Ukraine there are natural conditions much more favorable to these industries than in any other part of the Russian Empire. Certainly the sugar, metal and mining interests are among those which depend on the location of their raw materials and can never start in a place where these are lacking. Besides, these industries are infinitely more fostered by transportational advantages than by custom duties. The duties which were imposed on foreign coal did not prevent the importation of English coal into the Baltic provinces nor into Petrograd. On the other hand, even if all custom duties on foreign coal had been suppressed, it would never have penetrated into central Russia and there replaced the fuel of Donetz. As to the sugar, the situation in the Ukraine was perhaps even more favorable. As to metallurgy, it no doubt profited by the protective Russian tax. But there again the role of this tax was not very great. In fact, the products of Ukrainian metallurgy were heavy (rails, beams, tires, wheels, pipes, iron bars, etc.), and their manufacture was only slightly stimulated by the tax because of the great distances over which they had, in any case, to be carried. Protective tariff is much more necessary to those industries which supply finished products of light weight, but of these the Ukraine furnished very few. The textile industry of Moscow and of Poland profited much more by protection, as did many other branches of the industrial activities of central Russia.

Effect of Russian Imperial Methods in Ukraine

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Therefore, by this system, the Ukraine had more loss than profit. She was still a market for Russian and Polish industrial products, for which she paid high prices. But

4: Allen H-4 (no date) 1941 RDI Ukraine RDI

labour
464 is very fluid in Donbass; an annual turnover of 40–50 per cent is estimated.

135 Soviet official information concerning the iron-ore industry
316 of Krivoy Rog is probably more reliable than that concerning Donbass. The reserves of iron ore of high quality (40 per cent iron) are reckoned at 1100 million tons; some Ukrainian economists put these in excess of 3000 million tons. Mining in the Krivoy Rog (south-west of Ekaterinoslav and south-east of Elizavetgrad) began in the nineties and attained considerable proportions by the beginning of the present century. For the years 1913–16 average output was about 5 million tons per annum. According to Soviet statistics, output for 1938 was round 18 million tons.

Conditions for the development of metallurgical industry are extraordinarily favourable in New Russia: on one side of the Dniepr coal, and on the other iron. This is not all: along the banks of the Dniepr itself, round Nikopol and Khvochevatka, to the south of the old ground of the Zaporogian *Sech*, are rich mines of manganese, the quality of which is little inferior to that of the Georgian deposits at Chiaturi. According to the estimates of Ukrainian economists, reserves on the Dniepr amount to about 400 million tons: even if these estimates are exaggerated, there can be no doubt that the deposit is one of the most valuable in the world.

The production of the Dniepr manganese mines has risen from 260,000 tons in 1916 to over 1,000,000 tons in 1938. If the U.S.S.R. is the principal world producer, the Ukraine alone ranks before British India and South Africa (from which two latter countries it is worth recalling that Germany imported 585,000 tons in 1937).

The deposits of coal in Donbass, of iron at Krivoy Rog and of manganese round Nikopol are connected by railway lines which function probably more efficiently than any others in U.S.S.R. The juxtaposition of the mineral deposits and the metallurgical plants ensures full loads both ways. Only 18 per cent of Donets coal is exported outside the Ukraine, and only 5 per cent of the iron ore; the balance is consumed by the South Russian industries. Manganese, on the other hand, is exported abroad in large quantities.

325 Important metallurgical plants (70 per cent of the capital of
103 which had been found by French and Belgian houses) existed in the South of Russia prior to the Revolution. In the 'Eastern' (Donets-Azov) group were included the following works: 'The New Russian' (station, Yuzovka, recalling the name of the Welshman Hughes); 'The Russo-Belgian' (Enakievo); 'The Kramatorsky' (Kramatorskaya); 'The Konstantinovsky' (Konstantinovskaya); 'The Donets-Yuriev' (Alchevskaya); 'The Nikopol-Mariupol'

4: Allen H-4 (no date) 1941 RD1 Ukraine RD1

(Mariupol); 'The Russian Providence' (near Mariupol); 'The Kerch' (near Kerch). In the 'Western' (Dniepr) group the principal works were: 'The Gdantsev' (Krivoy Rog); 'The Dniepr' (near Ekaterinoslav); 'The Alexandrovsky' (near Alexandrovsk). Almost all these works have continued to function under the Soviets; during the course of the last twenty years some have been considerably enlarged and others modernized. Some have been renamed: e.g. 'Alexandrovsky', now 'Zaporogian Steel'; 'Gdantsev', 'Krivoy Rog'; 'Russian Providence', 'Azov Steel'. These three, particularly, have become very important plants.

The Ukrainian and New Russian metallurgical industry comprises 45 blast furnaces and 118 open-hearth furnaces. In the twenty-five years between 1913 and 1938 the output of pig iron has been expanded from 3 million to nearly 8 million tons; rolled iron from 1 million to 3 million; steel from 2 to 5 million tons. Thus, the metallurgical industry of Ukraine and New Russia (excluding the rest of U.S.S.R.) ranks fourth in world production of pig iron (after U.S., Germany and Great Britain) and fifth in the production of steel and rolled iron (after U.S., Germany, Britain and France). In 1938 the Ukrainian and New Russian industries produced 55 per cent of all Russian pig iron, 35 per cent of all steel and 25 per cent of all rolled iron. Concentrated within a comparatively limited region the heavy industry of New Russia and the Ukraine constitutes the most highly developed industrial area of the Soviet Union.

The Revolutionary régime was fortunate in inheriting a wide area of industrialization which, in the immediate pre-Revolutionary period, had been expensively equipped with modern plants by West European capitalist groups. The régime cannot be considered to have achieved anything remarkable in further development, and had the capitalist system of promotion been allowed to survive it is probable that progress would have been more rapid.

The most spectacular (and widely advertised) achievement of the Soviet régime in the Ukraine has been the construction of the grandiose hydro-electric plant in the neighbourhood of the rapids of the Dniepr (Dnieprostroy). A new source of energy (about 600,000 kilowatts), equivalent to a third of the electric energy produced in the Ukraine, has been made available for industry. Dnieprostroy may, however, be considered as a somewhat redundant reinforcement of the power sources of the country which could only have been undertaken by a régime which was not hampered by considerations of productive yield on capital investment. In view of the vast deposits of coal and anthracite to hand and of the as yet unexplored reserves of lignite, the development of a new source of

377 The functioning of the *Dnieprogues* station, which could open enormous possibilities of development of all kinds of industries and of the electrification of the railways, has nevertheless, despite its enormous power, failed to change the industrial geography of the Ukraine because it is just half-way between the Donietz basin and Krivoi-Rog and thus does not bring about any alteration in the distribution of the sources of energy.

438 Thus the heavy industry of the Ukraine remains, in its greater part, concentrated around this region, round Nikopol and along the northern edge of the Donietz basin.

325 Kharkov and its surroundings are the greatest metallurgical centres of the Ukraine. There great factories of turbines, of generators, of electrical machines, of tractors, of locomotives, of railway trucks, and of factory equipment, etc., are to be found.

327 The production of sheet-iron and of steel rails, tubes, plates, beams, wire, etc., is distributed among many factories of the Donietz basin, at Nikopol and at Dniepropetrovsk.

Zaporojie (not far from Krivoi-Rog and near the *Dnieprogues*) produces nearly 60 per cent of the special steels of the Union. The Soviets intend to create a new powerful centre of metal industry there.

391 392 Apart from Kharkov, factories producing all the heavier machines such as locomotives are to be found in the Donbass (abbreviation of Donietz basin which we will now use), at Lougansk, and at Kramatorski, where an enormous newly constructed factory is one of the largest in the world.

402 The equipment for the light industry—the mills, wine-presses, oil mills and elevators—is chiefly manufactured at Berdiansk (Donbass), Melitopol (Northern Taurida), Tcherkassy (centre), Kiev, and Odessa.

392 Agricultural machinery comes from the factories of

Zaporojie, Ielisavetgrad (region of Odessa), Berdiansk (on the Sea of Azov), and Kherson (at the mouth of the Dnieper).

The marine docks in which the ships of commerce and of war are being built are at Nicolaiev (at the mouth of the Boug), and river constructions of all types at Kiev. There are important repair shops for railway stock at Odessa and Kiev.

We enumerate here only the districts in which the larger metal industries are concentrated, the production of which exceeds local needs. The greater part of the large Ukrainian towns, especially of the seaports, possess small metal factories, the total production of which is not negligible.

It suffices to consult the economic map[1] of the Ukraine to realize that the heavier the products of the metal industry are, the more its centres are removed from the mining regions, a fact which gives a clearly rational character to the geography of Ukrainian metallurgy.

Besides metallurgy, heavy industry is represented in the Ukraine by the chemical industry and in the first instance by that which is based on coal. Such is the industry which produces azote, benzole, nitro-benzine, and sulphuric acid. Important factories engaged in the production of volatile materials have been built at Gorlovka, Lissitschansk, Konstantinovka, and Slaviansk (in the Donbass). This industry, which is still in its very early stages, already meets 30 per cent of the needs of Soviet Ukraine.

The factories producing superphosphates, whose annual production reaches 250,000 tons, are distributed between Konstantinovka (Donbass), Odessa, and Vinnitza, in Podolia.

Kharkov possesses great dye factories and those producing paints, varnish, and enamel.

[1] [see category 116, p. 151---Analyst]

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Ukraine R01

region, having 35 percent of the reserves of the USSR, and the site of soda works.

Debal'tsevo is one of the chief rail centers of the Donets Basin.

Chistyakovo, to the south, is a major coal-mining point.

Zhdanov, called Mariupol' until 1948, the principal port for the Donets Basin, on the Sea of Azov, is the seat of the new Azovstal' metallurgical works, one of the largest of the region. It also has the Il'ich works, which produce special steels, shipyards, and fish canneries.

Voroshilovgrad Oblast

Area, 10,300, population, 1,800,000

Voroshilovgrad Oblast is the easternmost division of the Ukrainian SSR. It includes the eastern portion of the Donets Basin and extends northward into a typical Ukrainian wheat and sunflower region. Most of its coal mines produce anthracite.

Voroshilovgrad, formerly called Lugansk, has large locomotive works and metallurgical and pipe-rolling mills and produces enameled goods and mining machinery.

Voroshilovsk (formerly Alchevsk) has metallurgical and coking industries. Just south is the coal-mining city of Parizhskaya Kommuna [Paris commune].

Kadiyevka, called Sergo from 1935 until 1948, and Krasnyy Luch are the two main coal-mining centers of the oblast, with many large satellite towns grouped near by. Almaznaya, southwest of Kadiyevka, produces special steel alloys. Lesser coal centers in the southeastern section of the region are Krasnodon, Sverdlovsk, and Roven'ki.

Rubezhnoye, in the northern coal district, on the Northern Donets, has large chemical (explosives) works, and produces paints and glass.

DNIEPER BEND

The Dnieper Bend, which includes Dnepropetrovsk Oblast and the adjacent section of Zaporozh'ye Oblast, is the second center of heavy industry in the Ukraine. Metallurgy, which is largely based on Krivoy Rog iron ore and Nikopol' manganese, is the principal branch of the industry. It receives its coal and flux materials from the Donets Basin. Unlike the Donbas, which frequently suffers from a shortage of water, it is amply supplied with water from the Dnieper River, which is also the source of most of its electric power. The main industrial centers lie

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either at the sources of raw materials (Krivoy Rog, Nikopol') or on the Dnieper River (Dneprodzerzhinsk, Dnepropetrovsk, and Zaporozh'ye). Agricultural production emphasizes wheat, barley, sunflowers, southern hemp, and soy beans. On the basis of the local grain production and grain brought along the Dnieper, a large flour-milling industry has developed.

Dnepropetrovsk Oblast

Area, 12,600, population, 2,200,000

Dnepropetrovsk Oblast extends from the Dnieper Bend to the Donets Basin and is divided into two equal sections by the course of the Dnieper River. Grains and sunflowers are the basic crops, with some hemp in the northeast and cotton in the southwest. The major rural industries are flour milling, meat packing, and dairying.

Dnepropetrovsk, on the Dnieper River, is a major industrial and transportation center formerly called Yekaterinoslav. It has large metallurgical works, pipe rolling mills, rail and sheet-metal mills, and steel-construction works. An automobile plant is to be established during the post-war Five-Year Plan. The city has clothing, leather, and food industries and is an important lumber-trade center.

Dneprodzerzhinsk, on the Dnieper, west of Dnepropetrovsk, has metallurgical and chemical works, producing rolled steel products, coke, and nitrate fertilizer, plastics, and cement. Metal construction and railway-car building are other important activities.

Krivoy Rog, the center of a rich iron-ore region, distinguished by reserves of more than one million tons and a high metal content (70 percent), has metallurgical works and iron foundries.

Nikopol', the center of one of the main manganese areas of the USSR, has concentrating plants, shipyards, and one of the largest pipe-rolling mills of the Union. The manganese mining areas lie northeast of Nikopol' in the district of Marganets [manganese] and in the northwest, near Ordzhonikidze.

Lesser industrial centers are Novo-Moskovsk, with sheet-metal mills, and Pavlograd, a pulp-milling and furniture city.

Zaporozh'ye Oblast

Area, 10,400, population, 1,300,000

Zaporozh'ye Oblast extends from the Dnieper River to the Sea of Azov. Agricultural emphasis is on wheat in the north and on cotton